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Wealth in the age of AI: What experts hope for — and what they fear
By Rob Burgess
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In the short time since generative artificial intelligence burst onto the scene, it has already changed many aspects of the wealth management industry.

This is especially true in the back office, where rote, repetitious tasks were first up to be automated.

Chris Grellas, co-founder of ProsperPlan Wealth in Gold River, California, said at his firm AI has been particularly beneficial when it comes to compliance.

"We are justifiably beholden to compliance oversight, which means accurate recordkeeping and recording," he said. "While certainly AI is an ever-growing part of actual planning, even its most basic functions have big advantages over how things were done in the recent past."

Even though his firm has found AI useful, Grellas said he would "never allow AI to replace certain types of communication with clients, which is one of the most rewarding aspects of advising."

"But we do use it for marketing, including advertising, search engine optimization, keyword creation, title tag creation and more," he said. "Our AI use in marketing and PR has drastically increased our profile while lowering our costs."

Bruce Lee, founder and CEO of Keebeck Wealth Management in Chicago, put it another way. Remember the scene in the movie "Elf" where Buddy creates a giant pile of perfectly spherical snowballs in seconds?

"That's AI," he said. "I don't have to hire a PhD when I have a PhD-like bot that can handle 90% of my inquiry, at any time of the day," he said. "This is a massive boost to productivity. The speed is amazing. Where is this going? Imagine a baseball game where the nine innings are being played in 15 seconds."

Jay Zigmont, CEO and founder of Childfree Wealth in Mount Juliet, Tennessee, said the industry will see a natural shift from software that is algorithmic-based to more AI-based as comfort levels with security and outputs increase.

"It is just a matter of time before we upload a stack of documents to AI and a full financial plan pops out," he said. "The future is in client-facing AI. The technology is still not there yet, but when people can have full conversations and financial planning sessions with AI, it will result in the democratization of finance. Some clients will still prefer talking to a human, while others will be

able to get their advice from AI for a fraction of the cost. I'm not talking about robo-advising, but AI advising that includes coaching clients on their money mindsets, behaviors and more."

However, Said Israilov, a financial planner and wealth manager at Israilov Financial in San Francisco, believes that any venture capitalists trying to build an AI tech stack that would make advisors obsolete will "quickly fail." .

"They will realize that personal relationships that human advisors provide can't be replaced by AI, that client acquisition is extremely hard and that clients prefer to talk to human beings, not to a trained black box that can perfectly imitate a human," he said. "Financial advisors deliver a nuanced understanding of clients' complex life and financial circumstances, empathy, and the ability to guide them across the emotional aspects of financial decision-making."

For a forward-looking perspective from experts with boots on the ground, we asked 10 industry leaders about their greatest hopes and fears surrounding AI in wealth management:

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U.S. advisors must accelerate AI adoption
Jagdeesh Prakasam, CEO of fintech Qdeck

"If you are a financial advisor today with access to generative AI technology, it's an exciting time. With the massive wealth transfer from one generation to another, this technology helps the advisors keep up with the digital-native generation that is inheriting the wealth and are expected to be the largest asset owners for the next three to four decades.

"In the future, I can see every client of a financial advisor having an AI financial assistant offered by their advisor and the assistant being hyper-personalized to their individual needs. Now a client of a wealth advisory will have a team of human advisors and AI assistants servicing them. It's a great outcome for clients as they get the best of the human knowledge, supervision and diligence in combination with a technology framework that helps advisors make better decisions for their clients.

"The greatest fear I have is its slower adoption in the U.S. relative to the rest of the world. According to a recent survey from Microsoft and LinkedIn, the latest data shows we in the U.S. are lagging China, Mexico, India and South Korea in using generative AI. The study showed that 75% of the knowledge workers are using generative AI. We in the advisory space need to keep up with our clients who are either already using generative AI in their work or are being offered services that leverage generative AI."

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AI can free up advisors without replacing them
Matt Schulte, head of financial planning at eMoney Advisor

"In short, my hope is that AI can be leveraged in ways that free up advisors' time, so they can spend more time with clients, getting to know them, and understanding their background and goals, resulting in better advice.

"My fear is the exact opposite scenario — that AI starts to remove advisors from the planning process and therefore advice is delivered without human interaction. Undoubtedly, the quality of advice would decline as would people's financial outcomes.

"While AI can never take the place of the advisor, there are exciting opportunities ahead related to how AI can help strengthen advisor-client relationships. For example, future tools like sentiment analysis could detect emotional cues in client communications, revealing confidence, concerns, or excitement about financial plans.

"AI is also anticipated to analyze behavioral patterns, such as spending or saving trends, and predict future actions. If you pair AI tools that can streamline workflows with capabilities that capture client behavior and preferences, these advancements will hopefully enable advisors to more efficiently create tailored financial plans that better align with their client's unique needs."

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A new wave of efficiency — hopefully soon
John O'Connell, CEO and founder of The Oasis Group

"AI will begin to shrink the manual operations commonly found within wealth management back office operations, such as document processing of tax returns, trusts, wills and insurance documents. This will drive a new wave of efficiencies for wealth management firms in their back office.

"My greatest hope is that financial advisors can provide more advice to more Americans. AI will enable advisors to prepare for client meetings, generate financial plans, and analyze client documents faster than ever before. This should lead to advisors growing their practices with new clients who can benefit from their advice and guidance.

"My greatest fear is that the wealth management industry will not embrace AI fast enough. This may lead to new entrants in the market who attempt to automate the entire financial advice process. The financial advice industry is a professional services industry and should always have people in the process."

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AI will attract more effective cybercriminals

Partha Dey, senior vice president at Citi

"Possibilities with these smarter models and technologies are limitless. We will see a significant amount of value in wealth and asset management services. The greatest hope one can safely bet is that there will be a lot of effort to scale up the usage of the technology. Firms will use a wide variety of closed as well as open-sourced large language models to explore and define fit for use cases. While firms will undoubtedly benefit from this technology and help them stay ahead in the curve, one eye will be fixed on optimizing operational cost, risk and performance.

"Integration of AI technology in the financial market will attract more lethal attacks by cybercriminals. While the decision-making process will be relatively easy, the complex algorithm will demand more expertise and capability to manage unintended scenarios. Data privacy laws will also play an important role in the overall adoption of these smart technologies into day-to-day use. Challenges stemming from regulations such as privacy law and other AI-related challenges such as AI bias and accuracy will be confronted in many forums, including regulatory and bureaucratic minefields. Yet we will see that the financial market will be reshaped in an unparalleled manner never seen before due to the adoption of this superb and supreme technology."

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Misinformation may abound
Derrick Alexander, owner and lead financial advisor at Greater Works Wealth in Tulsa, Oklahoma

"My greatest hope is that AI democratizes access to financial planning and implementation, making high-quality advice accessible to people regardless of their socioeconomic status or background.

"My greatest fear is the spread of misinformation through AI-generated advice. Technology will always require careful monitoring and human oversight to ensure accuracy and integrity. Without proper review and follow-up, there is a risk that AI tools could produce recommendations that mislead or harm users."

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AI as a supplement, not substitute, for human advice
Scooter Thomas, financial advisor with Savant Wealth Management in Birmingham, Alabama

"I don't think AI will replace advisors. People inherently — and rightly — don't trust what they can't explain or interrogate. My hope is that one day I'll be able to use AI to generate a list of financial planning suggestions based on client data, and I can evaluate them without having to double-check their validity, as I do now.

"My biggest fear, though, is that people who need more support will rely too much on commoditized
AI advice. A generation of Americans could miss out on the true benefits of having an empathetic person help them make the most of their financial lives."

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Staying ahead of the curve while keeping client data confidential
Andrew J. Fallwell, managing owner of Lever Wealth Management in Evansville, Indiana

"As with any large-scale changes, those who say they know what will happen are either liars, ignorant or both. However, I hope technological progress continues to enable us to do what we are best at with our clients, namely walking through life together and making judgment calls that are not black and white.

"My greatest concern at this time is being able to maintain client confidentiality in a vendor-driven world, and being able to 'skate where the puck is heading.'"

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A buy-side boost, alongside trading trepidation
Jason DeLorenzo, CEO of market analytics and quantitative research firm Volland Research

"My greatest hope is that individuals use AI to appropriately allocate their capital to their risk and liquidity preferences. I also think AI can help with tax efficiency. AI on a buy-side level is exciting, and hopefully is used prudently.

"My biggest fear is that AI is used too much on the trading side, which can create crowded trades and over-allocations to certain investment instruments."

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Doing more with less
Parker Ence, CEO and co-founder of AI-power note-taker Jump

"We work with advisors every day to help them implement AI in their firm, and the three most common concerns about AI we hear are: 'Will AI replace advisors?'; 'Do I need to be an AI expert to use it?' and 'Is AI safe from a privacy and compliance perspective to use?' Fortunately there are great solutions today that are designed to help and not replace advisors, that require no AI expertise, and that are designed with compliance in mind, and we will only see more of these solutions coming out.

"Of course there will be some technology companies who attempt to replace advisors with AI. But I believe that when it comes to making some of the most

important financial decisions of their life, most humans want the human connection to see them through. So we get much more excited about building the 'ironman suit' to help advisor teams do more with the same number of team members, serve more clients, provide better client service and spend more time with clients while spending less time on administrative slog."

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Maintaining human oversight
Ritik Malhotra, founder and CEO of wealth management platform Savvy Wealth

"Looking ahead, I see AI continuing to transform the way advisors do their work. Some of these steps will include things like specific, tangible insights that can drive richer, data-driven conversations with clients. My hope is that all of this optimization will result in a democratization of wealth management services. No longer will these services be only available to a few, but more accessible to a broader demographic of clients.

"On the other hand, there is always the concern that an overreliance on AI, and lack of human oversight, erodes the trust that advisors have worked so hard to build with their clients. This is where ensuring AI is used to empower advisors, not replace them, will be key to the implementation of AI in our space."

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